



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **SB 82** SLS 12RS 410

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: March 23, 2012	1:50 PM	Author: BUFFINGTON
Dept./Agy.: DHH		
Subject: Medicaid Trust Fund for the Elderly		Analyst: Shawn Hotstream

FUNDS/FUNDING OR SD RV See Note Page 1 of 1
Constitutional amendment to except the Medicaid Trust Fund for the Elderly from certain deficit provisions. (2/3 CA13s1(A))

The current constitution provides for the legislature to establish a procedure to determine if appropriations will exceed the official forecast and an adequate method for adjusting appropriations in order to eliminate a projected deficit. The current constitution limits the amounts to any constitutionally protected or mandated allocations or appropriations to 5% , or the amount of the budget deficit, and only when state general fund allocations or appropriations have been reduced by 7/10 of 1%, or 0.7% (Art VII, Sec 10(F)(2)). In addition, the current constitution provides that certain funds are excluded from cuts in the event of a projected deficit. Proposed Constitutional amendment exempts the Medicaid Trust Fund for the Elderly from certain cuts for the purposes of eliminating a state deficit. Proposed constitution amendment is contingent upon voter approval at the statewide election to be held on November 6, 2012.

EXPENDITURES	2012-13	2013-14	2014-15	2015-16	2016-17	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						

REVENUES	2012-13	2013-14	2014-15	2015-16	2016-17	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						

EXPENDITURE EXPLANATION

The proposed constitutional amendment will be considered by voters at a statewide election to be held November 6, 2012. The Secretary of State may incur minimal ballot printing costs associated with this measure. However, as a regular practice, the Secretary of State typically budgets for up to 10 constitutional amendments for the fall statewide elections.

REVENUE EXPLANATION

The present constitution authorizes the governor and legislature to reduce up to 5% of appropriations/allocations from the state general fund and dedicated funds in any fiscal year in which a deficit is projected and reductions of at least .7% in appropriations from the State General Fund have already occurred. This proposed constitutional amendment creates an additional exemption from funds that can be adjusted in the event of a statewide deficit. Based on a fund history of the Medicaid Trust Fund for the Elderly (MTFE) received from the treasury, revenue in the fund has never been reduced and transferred as a result of a deficit.

Senate	Dual Referral Rules	House	
<input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}		<input type="checkbox"/> 6.8(F)1 >= \$500,000 Annual Fiscal Cost {S}	
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}	H. Gordon Monk Legislative Fiscal Officer